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September 17, 2003

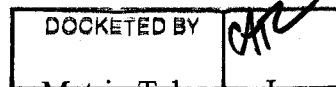
Arizona Corporation Commission

AZ CORP COMMISSION
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Judith A. Riley, J.D.
Telecom Professionals, Inc.
2912 Lakeside Drive, Suite 100
Oklahoma City, OK 73120

DOCKETED

SEP 17 2003



RE: Staff's First Set of Data Requests to Matrix Telecom, Inc. and International Exchange Communications, Inc.
Docket Nos. T-03228A-02-0894 and T-03664A-02-0894

Dear Ms. Riley:

On December 9, 2002, Matrix Telecom, Inc. ("Matrix") and International Exchange Communications, Inc. ("International") (collectively "Applicants") filed a joint application for approval of the transfer of certain assets and related transactions and a waiver of applicable anti-slamming regulations in the State of Arizona. This data request lists the information Staff needs to complete its analysis of your application. Please treat this, as Staff's first set of data requests to Matrix and International in the above-referenced matter.

For purposes of this data request set, the words "Applicants" and "Companies" refer to Matrix Telecom, Inc. and International Exchange Communications, Inc. and any representative, including every person and/or entity acting with, under the control of, or on behalf of Matrix Telecom, Inc. and International Exchange Communications, Inc. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

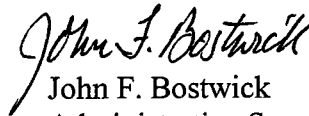
Please provide Docket Control with the information being requested within **20 days** of the date of receiving this letter. Mail an Original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that the application be terminated. If the application is terminated, the Applicant cannot provide the same telecommunications services in Arizona for which it is currently applying, until such time as a new application is filed with and approved by the Commission.

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Remember that information submitted will be made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If you have any questions, please contact me at (602) 542-0856. Thank you for your prompt response to this request.

Respectfully,

A handwritten signature in black ink, appearing to read "John F. Bostwick". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

John F. Bostwick
Administrative Services Officer II
Utilities Division

Enclosure(s)

CC: Docket Control Center (Original and Thirteen Copies)

STAFF'S FIRST SET OF DATA REQUESTS TO
MATRIX TELECOM, INC. AND INTERNATIONAL EXCHANGE
COMMUNICATIONS, INC.
DOCKET NOS. T-03228A-02-0894 AND T-03664A-02-0894

Please make sure each numbered item and each part of the item is answered completely. If it is not, Staff will resubmit the numbered item(s) and/or part(s) of the item in a following data request. In order for Staff to continue with its review of this application, the following information must be submitted:

1. Please indicate the number and type of customers (residential and/or commercial) Matrix provides service to in Arizona. Indicate the number and type of customers (residential and/or commercial) in the pre-transaction and the number and type of customers (residential and/or commercial) in the post transaction for Matrix in Arizona.
2. Please indicate the number and type of customers (residential and/or commercial) International provides service to in Arizona. Indicate the number and type of customers (residential and/or commercial) in the pre-transaction and the number and type of customers (residential and/or commercial) in the post transaction for International in Arizona.
3. International ceased operations on January 4, 2001. Please explain how customers in Arizona are being served? Is the Management Services Agreement still in effect? If so, when does the Management Services Agreement expire?
4. What is the total dollar amount of advances, deposits and/or prepayments, if any, collected by Matrix from its Arizona customers?
5. What is the total dollar amount of advances, deposits and/or prepayments, if any, collected by International from its Arizona customers? If advances, deposits and/or prepayments have been collected by International, will the amounts collected be refunded to the customers in Arizona or transferred to Matrix?
6. The purchased of Arizona assets from International will increase the assets held by Matrix in Arizona. What will be the percentage increase of the total assets held by Matrix in Arizona? The Arizona assets that are being transferred to Matrix represent what percentage of the total assets held by the Matrix
7. Please indicate the date when the Asset Purchased Agreement will be executed? If the Asset Purchase Agreement has been executed, indicate the date of the purchase and the actual amount paid for the assets.
8. The Arizona assets that are being sold by International represent what percentage of the total assets held by the International.

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9. The purchased of Arizona assets from International will decrease the assets held by International in Arizona. What will be the percentage decrease of the total assets held by International in Arizona? The Arizona assets that are being sold by International represent what percentage of the total assets held by the International.
10. Will the Arizona assets that are purchased be used as collateral to support the asset purchased agreement? If yes, describe how the Arizona assets will be encumbered or pledged to satisfy the purchased agreement requirements.
11. Please be advised that the procedure to discontinue long distance service is similar to the procedure that is required discontinue local exchange service. Refer to Arizona Administrative Code R14-2-1107 for local exchange carriers. Make sure International performs all the steps in R14-2-1107, except legal notice. Long distance service providers are not required to provide legal notice to cancel their CC&N.
12. Has the Customer Notification letter been sent to customers in Arizona informing them of the transfer of certain assets and related transactions? If so, please provide a copy of the letter showing the actual date the letter was sent. If not, please indicate the date of the "Settlement Effective Date".
13. Please explain the reason(s) the transfer of certain assets and relating transactions and a waiver of anti-slamming regulations is in the public interest as required in Arizona Revised Statutes §40-285.
14. Since International has ceased operations, explain the need for International to retain its Certificate of Convenience and Necessity.
15. If your application for the transfer of assets and related transactions is approved, what revisions or changes will be made to International's tariffs.